

October 29, 2007

The Honorable Dennis Rehberg
516 Cannon House Office
Washington, DC 20515

Regarding: President Bush's Veto of SCHIP and the Medicaid Moratorium Language for School-Based Administrative Claiming

Dear Representative Rehberg:

I wish to thank you for your continuing effort on behalf of Montana schools to preserve school-based Medicaid Administrative Claiming. Your support of the SCHIP bill, particularly your support of the moratorium language on Medicaid Administrative Claiming, would have preserved the \$1.4 million that Montana schools currently generate for administrative claiming.

President Bush's veto of the SCHIP legislation will make Montana, and other states, once again vulnerable to the Centers for Medicare and Medicaid Services' (CMS) desire to adopt regulations that would eliminate administrative claiming for public schools. Administrative claiming is an important service offered by our public schools to support families by helping them gain access to Medicaid services.

Administrative claiming helps increase participation of eligible families in the Medicaid program. This has a direct bearing on the ability of public schools to receive Medicaid reimbursement, not just for administrative claiming, but perhaps more importantly, for medically necessary related services provided under the Individuals With Disabilities Education Act (IDEA). The greater the Medicaid participation rate, the greater the proportion of students served by IDEA that are Medicaid recipients. A high proportion of students covered by Medicaid means that schools can recover a larger proportion of their costs in providing special education related services.

As negotiations progress on a compromise SCHIP bill, I need to again seek your support to influence the final language to include moratorium language on any proposed regulatory changes to school-based Medicaid claiming.

Because of the vital importance of this issue to Montana schools, it would be my hope that the language for the moratorium be extended for two years instead of the one year that was in the original SCHIP bill. I also ask the moratorium language call for a GAO study of the issue of the cost to schools in providing medically necessary services under the IDEA. Montana, like all states, receives only a fraction of the federal funding promised under the Individuals With Disabilities Education Act (IDEA). Schools access Medicaid, at least in part, to help them compensate for the underfunding of IDEA. The issue of the elimination of administrative

claiming should not be separated from the overarching issue of the relative amount of federal funding available to help schools meet their obligation under the IDEA.

If you have questions concerning this, please feel free to contact Bob Runkel, Assistant Superintendent, at (406) 444-4434.

Sincerely,

Linda McCulloch
State Superintendent

October 29, 2007

The Honorable Max Baucus
511 Hart Senate Office
Washington, DC 20510

Regarding: President Bush's Veto of SCHIP and the Medicaid Moratorium Language for School-Based Administrative Claiming

Dear Senator Baucus:

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Linda McCulloch
State Superintendent

October 29, 2007

The Honorable Jon Tester
Senate Dirksen Building
Washington, DC 20510

Regarding: President Bush's Veto of SCHIP and the Medicaid Moratorium Language for School-Based Administrative Claiming

Dear Senator Tester:

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